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THE SECRET OF THE SHOE

AN INDUSTRY TRANSFORMED

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COMPLIMENTS OF
UNITED SHOE MACHINERY COMPANY
BOSTON, MASS., U. S. A.

155029

The engraving here introduced is after a painting found on the walls of Thebes. It delineates the manner of sandal-making by the ancient Egyptians. It will be observed these workmen or makers of feet costume as then worn, similar to the boot and shoe makers' present mode of working, are seated upon low stools; a practice which, doubtless, has always obtained in such employments, as most convenient; for executing and dispatching such manufacture, all the attempts by any other method having hitherto failed; and whether a change in the shoe makers' mode of working, alternating between sitting and standing, which for health's sake is desirable, will ever take place, is among the discoveries and the things of the future.

From the "Boot and Shoe Makers' Assistant," Manchester, England, 1853.

THE SECRET OF THE SHOE

An Industry Transformed

I.

An American Achievement

Within the time of those who read these words, the way to make a shoe has been completely changed. Methods which held their own for centuries have disappeared, to be replaced by processes which only recently would have been thought impossible and which have brought within the reach of men of modest means a luxury once enjoyed exclusively by the well-to-do. The feet of the million are clad today as finely as the feet of yesterday's millionaire. Shoes marked by comfort, durability, and style have driven to historical museums the stiff and clumsy boots and brogans which not so many years ago were worn by those who could not pay to have shoes sewed by hand.

The American people spend more than $350,000,000 every year in buying shoes, and average three pairs apiece, and yet few ever think about their shoes so long as they do not look clumsy, or wear out too quickly, or hurt the foot. Everyone likes to buy good shoes as cheaply as he can, and everyone likes to feel that shoe manufacturers are independent and successful, and that workmen get good wages, because these things help along prosperity; but that is all. Yet here is an industry in which the United

States within a decade has come to lead the world, and there are many things about it which it would be worth while for everyone to understand. It is worth while, for instance, to know that there is no important operation on a shoe which need be done by hand; that in the making of every good shoe no less than 58 different machines, and sometimes twice that number, are brought into play; that nearly all these machines are of American invention; and that they have been so perfectly adjusted one to another that they work together almost with the precision of a watch; it is worth while to know something about the marvelous system under the encouragement of which this typical American industry has blossomed and borne fruit until it employs $200,000,000 of capital and nearly 200,000 people and turns out 250,000,000 pairs of shoes a year; and why it is that the average man you meet today has a better fitting, better wearing, and better looking shoe than the moneyed man of yesterday — at a fraction of the expense.

The Child of Machinery

Of all the products of American ingenuity there is none which is more distinctly the child of machinery than is the modern shoe. Textiles are woven or spun on looms or spindles, which may be numerous and costly but which have little diversity of design; the parts of watches are fashioned and assembled by machines as intricate and delicate as themselves, but no more delicate and intricate than those devised for fashioning the shoe and with nothing like the infinite variety. The wit of man has not conceived a more elaborate or perfect system of machines, nearly human in their operation and more than human in the accuracy and perfection of their results. This system has not sprung from chance or luck. The path of its development is strewn with lost fortunes and shattered hopes and lighted by fine examples of business foresight and undaunted courage. It has been said that more inventive genius, greater executive capacity on the business side and a larger number of separate operations are involved in the making of a shoe than in any other product of equal value. It is worth while to know something about such an industry and that is why this story has been written.

The shoemaking business differs from other manufacturing industries in the way it is carried on. It has necessities of its own which have been met suc-

cessfully by the logical and natural development of methods peculiar to itself. Just a word about its history. It will not take long to read.

Ancient Ways Displaced

It seems only a little while ago that all the pieces of leather of which a shoe is made were sewed together, painfully, by hand. We are all familiar with pictures of the old-time cobbler with his bench and apron, lap-stone and hammer, awl and thread. Some of us have watched him at work, without realizing that we were gazing on tools and methods which had hardly changed since the dawn of history, and which are found in carvings on the pyramids; yet that is so. In our own day we have seen the ancient ways give place to a marvelous system of machines which turn out perfect shoes by the hundred in the time it took the old-style workingman to make imperfectly a single pair; yet few of us have ever given it a thought or know the secret of the transformation. To trace the secret we must go back half a century to the invention of the sewing-machine and follow down through years of trial and venture a progress culminating in the Goodyear Welt System of shoe machinery, by means of which the perfect shoe is made today.

One of the early uses to which the sewing-machine was put was the sewing together of the pieces of soft and pliable leather which make the upper of a shoe — a simple thing, involving only a slight adjustment of the original machine. It is a far more complicated operation to sew the upper to the thick and heavy sole, and years passed by before the secret was discovered, and the McKay Machine appeared. In the shoe sewed on the McKay Machine the thread ran through into the inside of the inner sole, leaving a rasping ridge on which the stocking of the wearer rubbed. The McKay shoe displaced only the coarser grades. The hand-sewed shoe remained the favorite of wealth and fashion, and was worn exclusively by those who cared for comfort and could afford the price. In sewing a shoe by hand, a thin and narrow strip of leather, called a welt, is first sewed to the insole and upper, and the heavy outsole is sewed to this welt, so that the stitches come outside and do not touch the foot, the insole being left entirely smooth. It is a delicate operation by hand, and many years elapsed before a machine was contrived

by which it could be done. At last the problem was solved: The Goodyear Welting and Stitching Machines appeared — so named for Charles Goodyear, who financed and perfected them; a son of the man who taught the world the use of rubber. These two machines are the nucleus of the Goodyear Welt System, to which must be attributed the revolution of an industry. Although they are entirely distinct machines, they are inseparable, for neither can be used effectively without the other in making the modern Goodyear Welt Shoe.

Invention and Its First Results

Much of the style of a shoe depends upon the wooden last over which the upper is shaped before being attached to the sole. To find a substitute for the human hand in fitting the shoe to the last and pulling the leather over its delicate lines and curves seemed for a long time impossible; but in due season invention mastered this problem also, and the Lasting Machine appeared, to be followed later by the Rex Pulling-Over System. Thus, one after another, every operation has yielded to invention, until very recently the only remaining process was subdued when a machine for cutting uppers was devised. There are machines for shaping, compressing, and nailing heels; for attaching soles to uppers in heavy shoes by wooden pegs or copper screws and wires; for rounding, buffing, and polishing the soles; for trimming and setting the edges of the sole; for performing innumerable operations, some seemingly trivial, but all essential to perfection in comfort, durability or style; so that in shoe factories today a greater variety of intricate and expensive machines are used than in factories of any other kind.

In the early days, as new machines were invented, companies were organized to make and introduce them until there were many small concerns, some of which did a precarious business. Every manufacturer in fitting out his factory had to deal with several of them; he could not figure with certainty on his machinery; strikes were frequent among the operatives of one machine or another, so that many factories were shut down for a part of every year; the industry lacked stability; it was in danger of demoralization. By degrees the smaller concerns went out of business, until in 1899 the making of machines had centered in the hands of three com-

panies of substantial size. Conditions were better, but they were still bad enough; the ills were modified, but not dispelled. The industry was crying for relief. This was the state of affairs when the United Shoe Machinery Company was organized on February 7, 1899.

II.

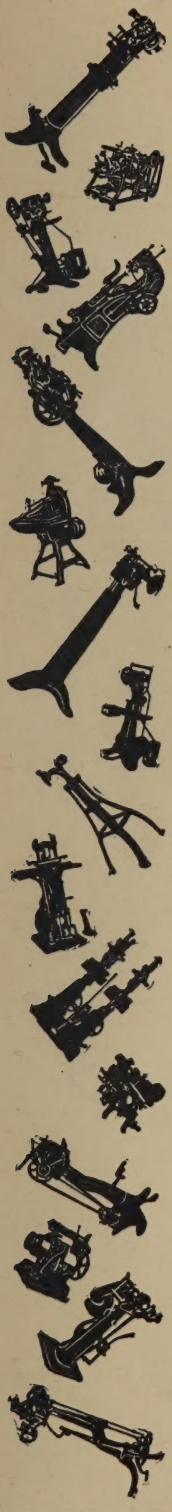
The United Shoe Machinery Company

The United Shoe Machinery Company owes its origin to a call for change in conditions menacing the industry of making shoes which could not be ignored. It was created by combining into one the three companies existing in 1899; the Goodyear Sewing Machine Company, the Consolidated & McKay Lasting Machine Company, and the McKay Shoe Machinery Company, each of which respectively made and leased machines adapted to a particular class of operations. The principal machines which each made did not interfere with the principal machines of any other. They were dependent links in an industrial chain. The Goodyear Sewing Machine Company chiefly made machines for sewing the sole to the upper in welt shoes and various auxiliary machines which helped to complete the shoe; the Consolidated & McKay Lasting Machine Company made machines for lasting a shoe; the McKay Shoe Machinery Company made various machines for attaching soles and heels by metallic fastenings, and furnished material for that purpose. A single manufacturer, in order to make Goodyear Welt Shoes, would be compelled to patronize all the companies, going to each of them for that part of his equipment which it exclusively supplied. Each company had its agents in factories looking after its machines. Whenever a machine furnished by one of them broke down or was put out of commission for any cause, machines owned by the other companies might have to lie idle until it was running again — a constant source of trouble to all concerned. For a manufacturer of any kind of shoes it was a handicap. For one who wished to make the finest quality of Goodyear Welts it was a condition which could not be endured; for in the delicate Goodyear process it is imperative that there should be the utmost nicety in the adjustment of machines, so that all may play together in perfect harmony, and this cannot be secured save by a single supervision and control.

Advantage of Consolidation

The gathering of these three companies into a single organization wrought an instant change. It resulted immediately in greater economy of administration; in relieving the manufacturer of the vexation of sometimes seeing his factory crippled while orders were piling up; in freeing him from the annoyance and expense of dealing with several different concerns in order to get his most important machines and keep them in repair. Since that time uniform methods have prevailed where confusion reigned. The manufacturer can now make accurate calculations, ignoring even the uncertainty of ordinary fluctuations of the market so far as his mechanical equipment is concerned. The smallest manufacturer has absolute assurance that he can lease his machinery on precisely the same terms as his largest and most prosperous competitor, and that he will have an even chance with everyone else to utilize the most advanced devices without being compelled to figure whether he can afford to throw his old machines away. The Company, which from its formation has kept a large force of inventors in its employ, undertakes to replace obsolete machines with others up-to-date, to keep all machinery in repair so that no time need be lost through the idleness of any part of the system which has been installed; in short, to insure to every manufacturer, large or small, who uses its principal machines, a working equipment of the most advanced type for his factory all the time. It gives every factory a system of machines which work effectively together, each fitting into the others so closely as almost to fulfil the dream of Edison, who sees the time arriving when leather will be put into one part of a machine to come out a little later a completed shoe. Any manufacturer who was in business when the Company was organized will testify that conditions are vastly better than they were before its day, and they have steadily improved from the beginning, until now the feeling toward the Company is, as a rule, even more cordial than it was four years ago, when Charles H. Jones, President of the Commonwealth Shoe & Leather Company, said in an interview published at the time:

"I can say for ourselves, that the question of royalties and machinery, which was formerly one of the most vexatious and exacting departments of our business, has ceased to give us any concern at all. We were formerly obliged to examine new inventions, and were forced to



make experiments with machines for months at a time, with the result that we obtained more or less bad work and were put to much useless expense, and the thought and attention of our best men was given to deciding between the merits of the old and the new. We were obliged to dicker and trade with every different manufacturer of machinery all the time, with the moral certainty that somebody who had more time and attention to give to it would get a better bargain than we were able to obtain; and with it all there was an enormous and perpetual shrinkage on account of changes made necessary by the introduction and adoption of machinery that was not thoroughly and satisfactorily developed before being placed on the market. Today this is all changed. If we want a machine, we simply notify the Company. Their agent confers with our foreman. The best machine known for doing the work is installed with little or no expense to us. We are obliged to pay a rental in some cases, which would amount to about the same as the yearly shrinkage in value of the machine if we had had to buy it, but the capital which we would formerly have been called upon to invest is still in our possession for use in our regular business. We are confident that we are getting the machine on as favorable terms as any competitor, and we are enabled to employ our own time and ability in the legitimate branches of our business, and we have not, up to this time, been obliged to pay as much for this privilege as we formerly paid, for the very much less satisfactory condition."

— *Shoe and Leather Reporter*, May 24, 1906.

A Model Factory and System

One of the first things the Company did was to concentrate the manufacture of its machines in the United States in a single large factory, which was built at Beverly, Mass., and which is now one of the model factories of the world. It is known far and wide for the efficiency of its management and for the solicitude shown for the health, safety and comfort of its employees. It is absolutely fireproof, the first in the United States of considerable size to be made of reinforced concrete, and contains seventeen acres of floor space. It employs nearly 4,000 people, ships 20,000 machines a year and 15,000,000 parts of machines, and very nearly approaches perfection in every detail.

The interests of the Company extend to every civilized country. Its machines in the United States alone represent a sales value of nearly $40,000,000.

It has a force of over 500 expert mechanics in the United States alone, who spend their entire time in

looking after its machines in the factories of its lessees and seeing that they are constantly in working order.

Of course all this has called for great expenditure of money and the maintenance of an elaborate and extensive organization. The Company has retained in its employ all the experienced men who had grown up in the companies from which it was originally formed, and has always sought the services of the very best men to be found in their respective fields. It has never issued bonds or borrowed money. It has never distributed in dividends earnings which might be needed for the extension of its business. Its margin of profit is not in excess of the legitimate earnings of a carefully conducted and effectively administered manufacturing enterprise.

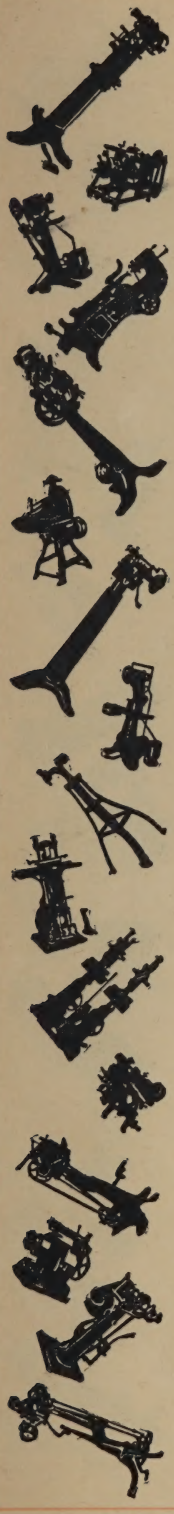
III.

The Royalty System and Its Benefits

The United Shoe Machinery Company is a business enterprise and nothing else; yet strictly in the line of business it has done the American people a practical service which no philanthropy could undertake.

During a period when the cost of living has been a burden, shoes have increased less in price than many other articles in general use. The only reason is that while the cost of leather and labor and everything about a shoe which the Company does not provide was never before so high, manufacturers pay less today than ever before for their machines. The Company pays more for what it buys, but has assumed the increased charge without imposing any part of it upon its customers; and in many instances has lowered its charges for supplies. It has done this because it was good business policy and its reward has been in larger trade.

The ability of the Company to carry out its purpose to furnish a better service and equipment year by year at a constantly diminishing expense to its lessees is largely due to its adherence to the Royalty System in leasing its machines. Under this system instead of buying his machines outright, the manufacturer pays for their use a small sum on each shoe made, or else buys from the Company furnishing the machine certain findings essential to its operation, like tacks, wire nails and eyelets, paying for them a price sufficient to compensate the Company for its use.



The Company's rates of royalty now are lower than those prevailing at the time of its formation. The average royalty direct and indirect it now receives for all classes of shoes is less than $2\frac{2}{3}$ cents per pair. Out of this sum it pays the whole cost of manufacturing machines; of development of new machines and purchase of patents; of administration — in short, the entire expense of conducting its business. On some grades of shoe the royalty is three-quarters of a cent. The highest royalty which any manufacturer can pay for the use of all machines on the highest priced Goodyear Welt shoes — the very best which can be bought — is not over 6 cents. Very few pay royalties of this amount and neither sum cuts any figure in the retail price. What will in effect be a substantial reduction in the average Goodyear royalty will result from the Company's recent action in deciding to distribute among its lessees of Goodyear machines, in the form of common stock of the Corporation, an increasing percentage of the amounts received from them for the use of its Goodyear Welting, Goodyear Stitching and Goodyear Turn Sewing Machines in the United States. The same quality of shoe which can now be bought by anyone for $6.00 could have been obtained not long ago only by those who could afford to pay far more to have their shoes hand-sewn. Under no other system would the manufacturer pay so little for his machines as through the payment of royalties. If he were to buy them outright, he would have to charge against the cost of his product an interest of 5% on his investment and a far greater percentage for the depreciation and enforced replacement of his machinery — certainly not less than 10% — besides being obliged to employ a force of high salaried experts to keep it in repair. Even with the closest economy of manufacture he could not bring this figure to the low level of the royalties which the Company collects.

Under the Royalty System he can devote all his thought and time to improving the quality of the shoe he makes and making it economically; he need not have the slightest worry about his machinery; he can turn over to the Company its entire care, knowing that, as he gets from the Company the finest machines in the world and the best service in the world, he can make the best shoes in the world at the lowest cost consistent with comfort, durability and style.

The Royalty System is not a new thing. It has prevailed in the shoe machinery business from the time the first machine for attaching soles to uppers

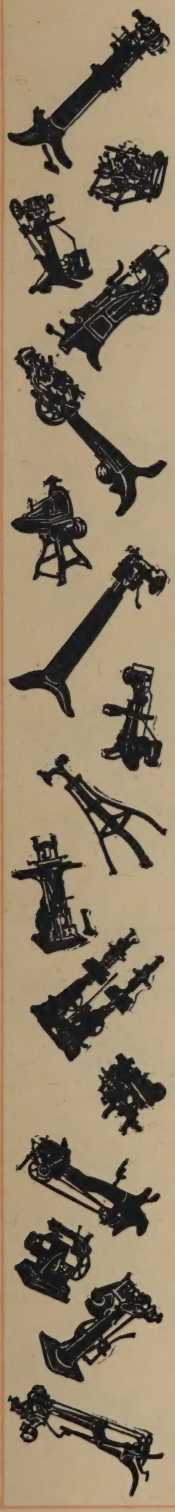
was perfected fifty years ago, and it has been the greatest single factor in the wonderful development of the industry of making shoes. It was not devised originally by the United Shoe Machinery Company, nor was the system of leases under which it is administered, but both have been adopted by every successful maker of shoe machinery since experience first demonstrated their worth. Shoe manufacturers almost without exception prefer the Royalty System to that of purchase. Without it many of the largest manufacturers of the day could not have installed an equipment to start business at all. Years of experience have shown the system to be the most satisfactory method of paying for the use of shoe machinery — best for the maker of shoes, for the maker of machinery, for the retailer and for the public.

If a machine is sold outright the interest of its maker ends with the payment of its purchase price. As soon as he has sold one machine his chief concern is to sell another. Under the Royalty System the success of the Machinery Company depends not upon the sale but upon the *use* of its machines; for it is only while its machines are working that they are of any value to it. The Company's interest in a machine cannot stop at the factory door. In order to get adequate returns on its investment, it must keep the machinery from which it derives its revenue in *use* and therefore in tip-top condition all the time. This is obviously to the advantage of the manufacturer because it increases his output, keeps his men employed, and keeps the money invested in his factory at its full earning capacity. By making it easy for the manufacturer to keep his plant in operation the United Shoe Machinery Company has multiplied the production of good shoes, bringing them within the reach of the people and stimulating the demand for more. The prosperity of the Company has thus become inseparable from the prosperity of the trade.

IV.

A Monopoly of Merit

The Company has been called a monopoly — not without reason. It has a monopoly in every patent it owns, made so by the patent laws of the United States, which are so framed as to make sure that an inventor's reward shall not be stolen from him, and that in return for giving the public the benefit of his discovery he shall enjoy its profits exclusively for a



little while. If it were not for the monopoly of patents there would be little invention of any consequence; and the United States, instead of leading the world industrially, would lag behind. The Company also has a monopoly in its ability to make the very best machines and give the most effective service; but it has never had a monopoly of the shoe machinery business. It does not mind fair and legitimate competition, and is always ready to take its chances in the race for trade.

Not a Monopoly of Business

There are other makers of shoe machinery who carry on a successful business each in his own line and who have machines in factories side by side with those which the Company has supplied. Every factory in the United States uses machines which it has not obtained from the Company. In many instances they come in competition with machines which the Company produces and there is nothing in the Company's leases or its methods to prevent any manufacturer from using them. The machines which stitch together the pieces of the upper of the shoe are all obtained elsewhere and these constitute a large part of any factory's equipment. There are shoe factories in the United States of considerable size which use only a few of the Company's machines.

Any manufacturer is at liberty to lease the Goodyear Welting Machine and the Goodyear Stitching Machine without being obliged to lease or buy anything else from the Company. Any manufacturer can lease the Company's essential machines, without being obliged to use any other of the several hundred machines which the Company makes. He can take the others or leave them, as he pleases, without regard to any lease he already holds. He can use most of the Company's machines in connection with machines provided by the Company's rivals.

The Company aims simply to be in a position to furnish to any manufacturer who desires it a complete equipment for attaching soles and heels to uppers; — the machines which are used in the "Bottoming Room." It is possible for a manufacturer to secure from the Company all the machines which he really needs for use in the "Bottoming Room" and he usually finds this a convenience; just as many housekeepers, when shopping, find it convenient to patronize a large department store instead of traveling from one small store to another looking for bargains.

Invention's Rapid Advance

The genius of American inventors has found in shoe machinery a fertile field, and there never was a time when they were more alert than now, largely because they have no difficulty in finding a steady market for their wares. In the eleven years since the Company was formed a greater number of practical patents for new machines and for improvements have been taken out than in any period of equal length since shoemaking began. The Company keeps a large force of inventors in its immediate employ continually on the watch for new ideas, and it is always ready to investigate and adopt a meritorious device, which promises distinct improvement in the art. It has produced nearly one hundred new machines, all of them materially better than those formerly in use, and sixteen of them performing operations which before there introduction could only be done by hand.

The Company has never held an invention merely to prevent others from enjoying it. It has bought many inventions and has paid liberally for them ; but its purpose invariably has been to give its customers the benefit of the very latest advances in the art. Whenever a new device, either by itself or in combination with a machine the Company already owns, gives promise of a distinct improvement in the process of making shoes, the Company is in the market to buy it so that it may give manufacturers an opportunity to use it more quickly and more advantageously than would be possible in any other way.

The machines it offers its lessees are, so far as it knows, the very best which invention has conceived. It has never delayed placing a new invention at the disposal of its customers longer than was necessary to perfect the invention and make it commercially practical.

In the same interview, from which a quotation has already been made, Charles H. Jones declared:

"My own experience with outside manufacturers during the past five or six years has gone quite a way toward convincing me that the outside inventor gets all the consideration from the Company to which he is entitled. We have encouraged a few of them that we thought had good things, only to be sold out by them as soon as they could make a satisfactory trade with the Company.

"I think it quite likely that the Company buys and pays a good price for all that is valuable in the way of invention, that is offered to them, and they certainly stand between the manufacturer and the inventor of

crude and incomplete machines, and guarantee to us that whatever is put on the market is a complete mechanical contrivance, capable of doing what they recommend."

The public has a lively interest in invention. It likes to see inventors get their just reward and feels itself entitled to the benefit of their discoveries. It realizes too that it is one thing to obtain a patent and quite another thing to make it go; that limitless patience, years of exploitation and experiment, and liberal expenditure of money are needed to turn an invention into a commercial success. Business acumen and financial resources and, in many instances, supplemental devices of other inventors, are found to be essential before a machine will work. It has been proved with shoe machinery as with the telephone that the highest efficiency comes through the assembling of improvements under one control. The telephone was a toy until the Blake Transmitter appeared and transformed it into a necessity, and the public would have waited long before profiting by the new device if the Telephone Company had not taken it in hand and combined it with the patents it already owned. Similarly the invention of Auguste Destouy, who first secured the patents for sewing boots and shoes with welts, was never of much practical use until Charles Goodyear took hold of it and made it commercially profitable by supplementing it with improvements and auxiliaries conceived by Christian Dancel, and other mechanical geniuses in his employ. The public would not now be able to enjoy the full advantage of the Goodyear system of machines had not the United Shoe Machinery Company from time to time secured control of many inventions which add to its efficiency and given manufacturers the benefit of their use.

V.

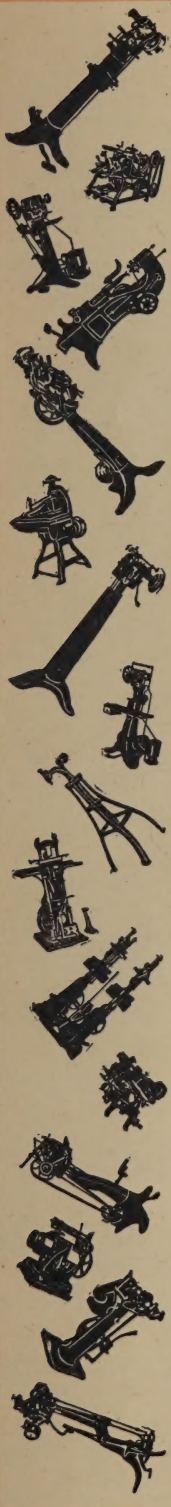
Conditions Today

The industry of making shoes, ranking near the head of the manufacturing industries of the United States, was never so prosperous as it is today. The ten years just past have been its brightest, as figures prove. What the census of 1910 will reveal cannot now be accurately foretold, but striking progress was shown by the last available returns in 1905, and since then there has been a great advance in the condition of the trade — due in no small measure to the United Shoe Machinery Company with its highly organized facilities. During the decade from 1890 to 1900 the capital invested in

the industry showed an increase of only 4.8% (from $95,282,311 to $99,819,233). During the first five years of the Company's existence, from 1900 to 1905, the growth was 22.7% (to $122,526,093). Other comparisons are equally significant. The commercial ratings of the shoe manufacturers of the United States have grown from $60,993,250 in 1900 to $98,629,200 in 1910, an increase since the Company was formed of 61.72%. Many manufacturers have accumulated large private fortunes. The value of the product of American shoe factories in the *ten* years from 1890 to 1900 showed a gain of 17.4% (from $220,600,000 to $258,900,000). In *five* years, from 1900 to 1905, the gain was 23.6%, to $320,100,000, and there still remain five years of progress to be set down. In proportion to the amount of capital employed, the value of product exceeds that of any other industry.

The Growth in Exports

The foreign demand for American shoes has practically been created since the Company has become a factor in the trade. Prior to its organization in 1899, the exports of boots and shoes from the United States were almost insignificant. For many years they ran along with hardly a perceptible gain and, apparently, with no organized endeavor to expand the trade. In 1870 the exports were $419,612. In 1890 they had grown only to $662,974. For a year or two prior to the organization of the Company, and largely through the enterprise of the Goodyear Shoe Machinery Company, which held expositions in London and Berlin in 1896, the volume of exports made a more respectable showing; and in 1898, the year before the Company was formed, they had grown to $1,816,538. But this was merely a forerunner of the great advance which was to follow the Company's entrance into the field. Every year since 1900 has shown a substantial increase in the exports of boots and shoes, until in 1908 they were $11,469,599 — an advance in the ten years of the Company's existence of 531.4%. American shoes can now be bought in every capital in Europe, and they are rapidly replacing foreign makes even in the centers of European fashion, to which only a few years ago our American dealers turned for the latest word in style, until the shoe is now about the only article of dress to which the prefix of the word "Imported" lends no glamour for those who are fastidiously inclined. These things have largely been accomplished since the United Shoe



Machinery Company, carrying the Royalty System to its logical results, undertook to relieve the manufacturer of the burden of his machines and give him freedom to extend his vision over the world-wide field of trade.

The imports of foreign made boots and shoes in the last fiscal year, ending June 30, 1910, were less than $172,000, an increase of only $27,000 over the imports of 1860 — fifty years ago.

Manufacturers in the United States have not suffered from the operations of the Company abroad. There has not been a time since the Company was organized when foreign manufacturers got their machines on better terms than the terms received by manufacturers at home. No machine is ever put out anywhere which any American manufacturer cannot have if he desires, and the only machines used in Europe which are not used in America are a few which American manufacturers can have if they like, but which are not well adapted to conditions here.

The system of machinery which is now installed in almost every American factory has been a boon to labor. Not only are wages higher than they were ten years ago, in keeping with the general advance in prices, but the conditions under which the laborer is employed are radically changed. Safety, comfort, and cleanliness in factories have supplanted dirt, danger, and inconvenience. Strikes are infrequent and the relations between employer and employed were never before so cordial as they are today.

Free Competition in the Trade

In 1909 there were 1,200 independent concerns, employing nearly 200,000 people and having an individual output varying from 300 pairs a day to 25,000 pairs. There were over 50,000 retail dealers. In no other great industry is competition so free.

"This industry," says the Massachusetts Commission on the Cost of Living in its report just published, "is one of the few great lines of industrial enterprise in the United States in which the trust form of control has not made headway."

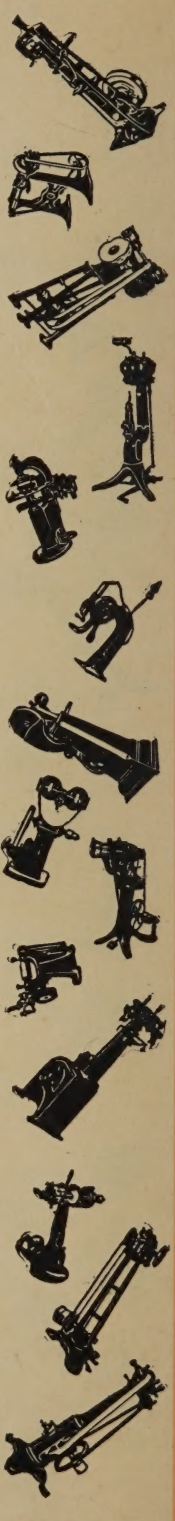
There is a good reason for this exceptional condition, although the Commission does not give it. Naturally, if a shoe manufacturers' trust could be formed eliminating the independent manufacturers and dealers, and bringing the business into the hands of a few big concerns, it would be a fine thing for somebody; and that it has never been established

has not been due to lack of design; but no one has ever been able to make any headway in this direction, because the United Shoe Machinery Company has been found to be an insurmountable obstacle in the way, through its readiness to supply any manufacturer with a full line of machinery for bottoming shoes on terms as low as any other can secure.

The Company has never tolerated discrimination; under the Royalty System it has always treated all manufacturers alike; the small manufacturer gets precisely the same terms as the large manufacturer; there can be no such thing as a shoe manufacturers' trust so long as the Royalty System prevails and so long as manufacturers do not receive discriminating rebates.

The industry is efficiently organized; meetings of manufacturers, salesmen and dealers are frequently held; publicity is unrestricted. The shoe manufacturers of the United States are as contented in their dealings with the United Shoe Machinery Company as in any other of their business relations. They are always ready to look into any proposition which promises them the use of their machines on better terms, but by long experience they have discovered that, taking all things into consideration, they can obtain results more favorable to themselves by patronizing the United Shoe Machinery Company than in any other way. It is a simple business question with them.

The Company today is the mainspring of a prosperous industry of world-wide scope in which it has succeeded in maintaining its position through consistent adherence to sound business principles, through intelligent organization and efficient service, and through its hold upon the confidence of the manufacturers of shoes. It has no asset more valuable than the general satisfaction and success of its lessees.



Here our story comes to a pause; not to an end, because it cannot be complete so long as the American genius for invention and organized efficiency remains alive. It has served a purpose if it has taught the reader something of the conditions in a great industry which touches the pocket and comfort of every citizen and upon which depends the livelihood of thousands, and if it has given an inkling of the myriad expedients which were tried and abandoned before, in process of selection, the methods now prevailing won their way.

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